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Merck Sharp & Dohme Corp & Anor v Hovid Bhd

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FEDERAL COURT (PUTRAJAYA) — CIVIL APPEAL NO 02(f)-53–07 OF 2018(W)
TENGKU MAIMUN CHIEF JUSTICE, AHMAD MAAROP PCA, RAMLY ALI, ZAWAWI SALLEH AND NALLINI PATHMANATHAN FCJJ
21 AUGUST 2019

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Trade Marks — Patents — Validity — Plaintiffs claimed infringement of patent by defendant — Defendant counterclaimed invalidity of patent — Trial court dismissed infringement action and held patent invalid — Whether adjudication of independent claim as invalid automatically rendered claims which were dependent on independent claim invalid — Whether court need to consider separately validity of each and every dependent claim — Whether amendments under Patents Act 1983 prohibited — Patents Act 1983 ss 56(3), 57(2) & 79A(3)

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The appellants ('the plaintiffs') brought an action against the respondent ('the defendant') for patent infringement of their patent, Malaysia Patent No MY-118194-A ('the 194 Patent'). The 194 Patent comprised of one independent claim ie claim 1, together with 21 subsidiary claims, also known as dependant claims ('claims 2–22'). The defendant, by way of defence, denied the alleged infringement and counterclaimed for a declaration that the 194 Patent was invalid on the ground that the patent exhibited no inventive step pursuant to s 56(2) of the Patents Act 1983 ('the Act'). The High Court dismissed the plaintiffs' infringement action against the defendant and allowed the latter's counterclaim for invalidation of the 194 Patent. The High Court went on to hold that as the independent claim was invalid, all dependent claims related to the 194 Patent fell. The plaintiffs appealed to the Court of Appeal but was unanimously dismissed. The plaintiffs filed an application for leave to appeal to the Federal Court, which was granted, leading to this appeal. The issue for consideration was whether the adjudication of an independent claim as invalid, automatically rendered claims which were dependent on the independent claim invalid, without the need for the court to consider separately the validity of each and every dependent claim.

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Held, by majority, allowing the appeal and remitting the case to the High Court:

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(1) **(per Nallini Pathmanathan FCJ, majority)** The legal position expounded in *SKB Shutters Manufacturing Sdn Bhd v Seng Kong Shutter Industries Sdn Bhd & Anor* [2015] 6 MLJ 293 ('SKB Shutters') namely

that in the event an independent claim was invalidated, all the other claims fell, was not entirely accurate. The decision of *SKB Shutters* was premised upon an incomplete consideration of the law relating to the invalidation of claims. Therefore, the court should depart from the ruling of the said case. It was essential that when a court was tasked with ascertaining the validity of a patent comprising both independent and dependent claims, the trial court was bound to evidentially assess each of these claims separately (see paras 147, 153 & 169).

(2) **(per Nallini Pathmanathan FCJ, majority)** By construing ss 56(3), 57(2), and 79A(3) together, in the event of partial invalidity, an application to amend a dependent claim may be permitted after court proceedings. This ensured that the invalidity of the independent claim would not affect all other dependent claims. Therefore, the conclusion drawn in *SKB Shutters*, namely that amendments under the Act were prohibited was not entirely accurate, and this comprised a further reason to depart from *SKB Shutters* (see para 179).

(3) **(per Nallini Pathmanathan FCJ, majority)** When an independent claim was deemed to be invalid, it did not necessarily follow that all dependent claims which made reference to the said independent claim would automatically fail. The principle established in *SKB Shutters* that when an independent claim was invalid, all dependent claims dependent on the said independent claim also fall with it, failed to take into account the myriad of other claims and bases of challenge that routinely arose in patent adjudication (see paras 180 & 185).

(4) **(per Ramly Ali FCJ, dissenting)** When the independent claim was invalid, the dependent claims would be left with just limitations without the features of the independent claim. In other words, there would no longer be any meaning to the dependent claim since it was still making reference to something that no longer existed ie the independent claim. All the dependent claims 2–22 could not stand by themselves (see paras 28 & 30).

(5) **(per Ramly Ali FCJ, dissenting)** The question of asking the trial court to consider and determine each and every one of them separately as if they are independent claims despite the independent claim 1 was declared invalid, did not arise. It was clearly an act of futility and served no purpose. All the dependent claims 2–22, automatically fell once the independent claim 1 was declared invalid by the court (see paras 33–34).

(6) **(per Ramly Ali FCJ, dissenting)** Therefore, where an independent claim was adjudged to be invalid, claims which were dependant on the said independent claim would be automatically rendered invalid without the need for the court to consider separately the validity of each and every dependant claim(s) if the independent claim and dependant claims

related to the same and one invention and the defendant claims had no separate independent features of themselves (see para 44). A

[**Bahasa Malaysia summary**

Perayu ('plaintif') membawa tindakan terhadap responden ('defendan') untuk pelanggaran hak paten mereka, Paten Malaysia No MY-118194-A ('Paten 194'). Paten 194 terdiri daripada satu tuntutan berasingan iaitu Tuntutan 1, bersama dengan 21 tuntutan subsidiari, yang juga dikenali sebagai tuntutan yang bergantung ('tuntutan 2–22'). Defendan, melalui cara pembelaan, menafikan pelanggaran yang didakwa dan menuntut balas bahawa Paten 194 tidak sah atas alasan bahawa paten itu tidak menunjukkan langkah inventif menurut s 56(2) Akta Paten 1983 ('Akta'). Mahkamah Tinggi menolak tindakan pelanggaran plaintif terhadap defendan dan membenarkan tuntutan balas tersebut untuk pembatalan Paten 194. Mahkamah Tinggi memutuskan bahawa oleh kerana tuntutan berasingan itu tidak sah, semua tuntutan yang bergantung kepada Paten 194 gagal. Plaintif merayu kepada Mahkamah Rayuan tetapi sebulat suara ditolak. Plaintif memfailkan permohonan untuk kebenaran untuk merayu kepada Mahkamah Persekutuan, yang telah diberikan, yang membawa kepada rayuan ini. Isu untuk pertimbangan adalah sama ada penghujahan tuntutan berasingan sebagai tidak sah, secara automatik tuntutan yang bergantung kepada tuntutan berasingan tidak sah, tanpa memerlukan mahkamah untuk mempertimbangkan secara berasingan kesahan setiap dan satu tuntutan yang bergantung. B C D E

Diputuskan, dengan majoriti, membenarkan rayuan dan mengembalikan kes kepada Mahkamah Tinggi: F

(1) **(oleh Nallini Pathmanathan HMP, majoriti)** Kedudukan undang-undang yang dijelaskan dalam *SKB Shutters Manufacturing Sdn Bhd v Seng Kong Shutter Industries Sdn Bhd & Anor* [2015] 6 MLJ 293 ('SKB Shutters') iaitu sekiranya tuntutan berasingan tidak sah, semua tuntutan lain gagal, tidak sepenuhnya tepat. Keputusan *SKB Shutters* adalah berdasarkan kepada pertimbangan yang tidak lengkap mengenai undang-undang yang berkaitan dengan tuntutan pembatalan. Oleh itu, mahkamah harus menyimpang daripada keputusan kes itu. Adalah penting bahawa apabila mahkamah ditugaskan untuk memastikan kesahihan paten yang terdiri daripada tuntutan berasingan dan yang bergantung, mahkamah bicara terikat secara jelas untuk menilai setiap tuntutan secara berasingan (lihat perenggan 147, 153 & 169). G H

(2) **(oleh Nallini Pathmanathan HMP, majoriti)** Dengan mentafsirkan ss 56(3), 57(2) dan 79A(3) bersama-sama, sekiranya berlaku keilatan separa, satu permohonan untuk meminda satu tuntutan yang bergantung boleh dibenarkan selepas prosiding mahkamah. Ini memastikan bahawa ketidaksahan tuntutan berasingan tidak akan menjejaskan semua tuntutan bergantung yang lain. Oleh itu, kesimpulan I

yang dikeluarkan di *SKB Shutters*, iaitu pindaan di bawah Akta dilarang adalah tidak sepenuhnya tepat, dan ini merupakan alasan selanjutnya untuk menyimpang daripada *SKB Shutters* (lihat perenggan 179).

(3) **(oleh Nallini Pathmanathan HMP, majoriti)** Apabila tuntutan berasingan disifatkan sebagai tidak sah, ia tidak semestinya mengikut bahawa semua tuntutan yang bergantung yang merujuk kepada tuntutan berasingan tersebut secara automatik akan gagal. Prinsip yang ditetapkan dalam *SKB Shutters* bahawa apabila tuntutan berasingan adalah tidak sah, semua tuntutan bergantung yang bergantung kepada tuntutan berasingan tersebut juga gagal dengannya, gagal untuk mempertimbangkan pelbagai tuntutan dan asas cabaran yang sering timbul dalam pengadilan paten (lihat perenggan 180 & 185).

(4) **(oleh Ramly Ali HMP, menentang)** Apabila tuntutan berasingan tidak sah, tuntutan bergantung akan dibiarkan hanya dengan batasan tanpa ciri tuntutan berasingan. Dalam erti kata lain, tidak akan ada makna lagi kepada tuntutan yang bergantung kerana ia masih merujuk kepada sesuatu yang tidak lagi wujud iaitu tuntutan berasingan. Semua tuntutan bergantung 2–22 tidak dapat berdiri sendiri (lihat perenggan 28 & 30).

(5) **(oleh Ramly Ali HMP, menentang)** Persoalan meminta mahkamah bicara untuk mempertimbangkan dan menentukan setiap satu daripada mereka secara berasingan seolah-olah mereka adalah tuntutan berasingan walaupun tuntutan berasingan 1 dinyatakan tidak sah, tidak timbul. Ia jelas adalah satu tindakan yang sia-sia dan tidak mempunyai tujuan. Semua tuntutan bergantung 2–22, secara automatik gagal apabila tuntutan berasingan 1 dinyatakan tidak sah oleh mahkamah (lihat perenggan 33–34).

(6) **(oleh Ramly Ali HMP, menentang)** Oleh itu, jika tuntutan berasingan adalah diputuskan tidak sah, tuntutan yang bergantung kepada tuntutan berasingan tersebut akan secara automatik menjadi tidak sah tanpa memerlukan mahkamah untuk mempertimbangkan secara berasingan kesahan masing-masing dan setiap tuntutan yang bergantung jika tuntutan berasingan dan tuntutan yang bergantung berkaitan dengan ciptaan yang sama dan tuntutan defendan tidak mempunyai ciri-ciri berasingan bebas (lihat perenggan 44).]

Notes

For a case on validity, see 12(2) *Mallal's Digest* (5th Ed, 2017 Reissue) para 2958.

Cases referred to

(PHILIPS/Public Availability of an E-mail Transmitted via the Internet) [2012] EPOR 41 (refd)

Austal Ships Pty Ltd v Stena Rederi Aktiebolag [2005] FCA 805, FC (refd)

BASF AG v SmithKline Beecham plc [2004] IP & T 846, Ch D (refd)
Bourns Inc v Raychem Corp and another [1998] 2 RPC 31, Ch D (refd)
Conor Medsystems Inc v Angiotech Pharmaceuticals Inc [2008] RPC 28, HL (refd)
Dalip Bhagwan Singh v Public Prosecutor [1998] 1 MLJ 1, FC (refd)
EI Du Pont de Nemours & Co v Imperial Chemical Industries PLC [2007] FCAFC 163, FC (refd)
EI Dupont de Nemours & Co v Imperial Chemical Industries PLC [2002] FCA 230, FC (refd)
Fukuyama Automation Sdn Bhd v Xin Xin Engineering Sdn Bhd & Ors [2015] 9 MLJ 823, HC (refd)
GS Yuasa Corp v GBI Marketing Malaysia Sdn Bhd [2017] 8 MLJ 166; [2016] AMEJ 2114, HC (refd)
Generics (UK) Limited (t/a Mylan) v Warner-Lambert Company LLC (No 2) [2016] RPC 16, HL (refd)
Gillette Safety Razor Co v Anglo-American Trading Co Ltd (1913) 30 RPC 465, HL (refd)
Honeywell Int'l, Inc v Hamilton Sundstrand Corp 370 F.3d1131, CA (refd)
Kirin-Amgen Inc and others v Hoechst Marion Roussel Ltd [2005] RPC 9, HL (refd)
SKB Shutters Manufacturing Sdn Bhd v Seng Kong Shutter Industries Sdn Bhd & Anor [2015] 6 MLJ 293, FC (not folld)
Sandt Tech Ltd v Resco Metal & Plastics Corp 264 F.3d 1344, CA (refd)
Seng Kong Shutter Industries Sdn Bhd & Anor v SKB Shutters Manufacturing Sdn Bhd [2014] 5 MLJ 98, CA (refd)
Sunseap Group Pte Ltd and others v Sun Electric Pte Ltd [2019] SGCA 4, CA (refd)
Ultraframe (UK) Ltd v Eurocell Building Plastics Ltd [2005] RPC 36, HL (refd)
Verathon Medical (Canada) ULC v Aircraft Medical Ltd [2011] CSOH 19 (refd)
Wahpeton Canvas Co v Frontier, Inc, 870 F.2d 1546, CA (refd)
Warner-Lambert Co LLC v Generics (UK) Ltd (t/a Mylan) and another (Secretary of State for Health and others intervening) [2019] 3 All ER 95, SC (refd)
William Advanced Materials Inc v Target Technology Co LLC [2004] 63 IPR 645, CA (refd)
Windsurfing International Inc v Tabur Marine (Great Britain) Ltd [1985] RPC 59, CA (refd)
Winthrop Pharmaceuticals (Malaysia) v Astrazeneca UK Limited [2015] MLJU 2014, HC (refd)
Young v Bristol Aeroplane Co Ltd [1944] 2 All ER 293, CA (refd)

Legislation referred to

Code of Federal Regulations [USA]
Manual of Patent Examining Procedure s 1824 6.4(a)
Patents Act 1983 ss 23, 26, 56(2), (2)(b), (3), 57(2), 79A(3)

Patents Regulations 1986 regs 14(1), 19(3)
US Patents Act [US] s 282(a)
UK Patents Act [UK] s 63

Appeal from: Civil Appeal No W-02(IPCV)(W)-1876–10 of 2016 (Court of Appeal, Putrajaya)

Indran Shanmuganathan (Zaraihan Shaari, Michelle Loi Choi Yoke, Yap Khai Jian and Elisia Engku Kangon) (Shearn Delamore & Co with him) for the appellants.

Cindy Goh Joo Seong (Heidi Lim Ai Yuen, and Hayden Tan Chee Khoon with her) (Chooi & Co) (Cheang & Ariff) for the respondent.

Ramly Ali FCJ (delivering dissenting judgment of the court):

[1] Both the appellants in the present appeal were the plaintiffs at the High Court. They brought an action against the respondent (the defendant therein) for patent infringement of their 194 Patent, claiming that the defendant's import, manufacture, offer for sale and stocking for the purpose of sale or offer for sale, the alendronate 70mg tablets had infringed their 194 Patent, as they were at the material time, the registered owner of the said patent pertaining to the alendronate dosing issue. The defendant, on the other hand denied the alleged infringement and counterclaimed for a declaration that 194 Patent was invalid on the ground that the said patent exhibited no inventive step pursuant to s 56(2) of the Patent Act 1983 ('the Act'). In this judgment, the appellants will be referred to as the plaintiffs; and the respondent as the defendant.

[2] On 30 August 2016, after full trial, the High Court dismissed the plaintiff's infringement action against the defendant and allowed the defendant's counterclaim for invalidation of 194 Patent. The learned judge declared that 194 Patent was invalid on the ground that it lacked inventive step and as such all dependant claims related to 194 Patent were also invalid.

[3] The plaintiffs appealed to the Court of Appeal. On 19 September 2017, the Court of Appeal unanimously dismissed the appeal. The plaintiffs filed an application for leave to appeal to this court. Leave was granted on 26 June 2018. Hence the present appeal before us.

BRIEF FACTUAL BACKGROUND

[4] The first plaintiff is a company incorporated in the United States of America (USA) which has been granted a Malaysian Patent No MY-118194-A (194 Patent) under the Patents Act 1983. Under the said patent, the first plaintiff produced a pharmaceutical product of alendronic acid or a pharmaceutically acceptable salt (alendronate) under the trade name 'Fosamax'

to inhibit bone resorption in humans. The second plaintiff is a Malaysian company which holds the exclusive license from the first plaintiff to distribute, sell, and offer to sell 'Fosamax' products in Malaysia. The defendant, a Malaysian company, has been granted approval by the National Pharmaceutical Control Bureau to market 'Alendronate 70mg' tablets.

[5] The 194 Patent comprises of one independent claim ie claim 1, together with 21 subsidiary claims, also known as dependant claims (claims 2–22).

[6] There is only one independent claim in 194 Patent ie claim 1. It is the most important claim in 194 Patent. All the dependent claims (claims 2–22) of 194 Patent ultimately make reference to the independent claim 1.

[7] The essential elements of claim 1 in 194 Patent is the use of alendronic acid (or a pharmaceutically acceptable salt thereof) for making an oral medicament for inhibiting bone resorption in humans: (a) in a unit dosage that comprises from about 8.75 to 140mg of alendronic acid or a pharmaceutically acceptable salt thereof, on an alendronic acid active weight basis; and (b) according to a continuous schedule having a periodicity from about once every three days to once every 16 days.

[8] All the dependant claims 2–22 ultimately make reference to the independent claim 1. The dependant claims differ from one another in terms of, inter alia, the range of the unit dosage, and the frequency of the dosage. The common feature of all the dependent claims 2–22 start with the common description of 'use according to Claim 1'. Some make reference to the earlier dependent claims with ultimately make reference to the independent claim 1.

[9] On 30 August 2016, the learned judge granted the dependant's application for invalidation of 194 Patent on the ground that the said 194 Patent was obvious as at the priority date and therefore lacked inventive step. In relation all the dependant claims 2–22, the learned judge, referring to the decision of the Federal Court in *SKB Shutters Manufacturing Sdn Bhd v Seng Kong Shutter Industries Sdn Bhd & Anor* [2015] 6 MLJ 293, ruled that once the independent claim 1 was found to be invalid for lacks of inventive step, all the dependant claims 2–22, were consequently invalidated without a need for the defendant to adduce evidence individually to invalidate each of them; nor was there a requirement for the court to consider separately the validity of each of them. The invalidation of 194 Patent also led to plaintiff's infringement claim against the defendant to fall.

[10] On appeal, the Court of Appeal dismissed the appeal on the same ground that there was no inventive step involved in the creation of 194 Patent. The Court of Appeal ruled that the plaintiff's invention was indeed obvious to

a person having ordinary skill in the area of technology connected with the invention, thereby disqualifying it from being patented. The Court of Appeal affirmed the consequential ruling made by the learned judge that once the main claim (the independent claim 1)was found by the court to be invalid, all other dependent claims 2–22 derived no legitimacy on which they could survive. In other words, once the main claim 1, having been ruled to be invalid for lacking inventive steps, all the other dependent claims 2–22 were rendered invalid; and therefore the complaint of infringement of the said 194 Patent had also been rendered baseless. The Court of Appeal further ruled that 194 Patent was not a patentable invention and thus no legal rights related to a valid patent could emanate from it, which could be enforced, against anybody.

[11] The plaintiffs then filed an application for leave to appeal to this court. On 26 June 2018, this court allowed the leave application on only one question of law, namely:

> where an independent claim is adjudged to be invalid, whether claims which are dependent on the said independent claim would be automatically rendered invalid without the need for the Court to consider separately the validity of each and every dependent claim[s]?

[12] The plaintiffs, as the appellants herein, raised only one complaint in the present appeal against the decision of both the learned judge and the Court of Appeal in ruling that the plaintiffs' dependent claims 2–22 of 194 Patent were automatically rendered invalid upon the determination that the independent claim 1 was invalid.

[13] The learned judge had referred to the decision of this court in *SKB Shutters* case as the basis for his decision in making the above ruling. The learned judge in his judgment (at para 98) made the following ruling on this point:

> [98] The material facts and the parties' contentions in *SKB Shutters Manufacturing* are similar to this case. As a matter of stare decisis, I am bound by the Federal Court's judgment in *SKB Shutters Manufacturing* and upon the invalidation of Claim 1 for lack of an inventive step —
>
> (1) all the dependant claims shall be consequentially invalidated without need for the defendant to adduce evidence to invalidate each dependent claim. Nor is there a requirement for the court to consider separately the validity of each dependent claim; and
>
> (2) s 56(3) of the PA only allows the court to invalidate some independent claims or part of an independent claim. Unlike ss 63 and 75 of the PA 1977 (UK), the Malaysian court has no power under s 56(3) of the PA to amend a dependent claim when the independent claim in question is invalid. Accordingly, the court has no power under s 56(3) of the PA, let

alone the Court's National Amendment Power, to amend the dependent claims so as not to invalidate the dependent claims.

[14] The Court of Appeal affirmed the ruling made by the learned judge on this point. At para [36] of its judgment, the Court of Appeal ruled:

> [36] In our considered opinion, it could not have been clearer than that. In so far as the matter of claims is concerned, once the main or the principal claim is found by the court to be invalid, all other dependent claims derive no legitimacy on which they could survive. That was what had happened in this case before us. The learned JC had referred to the *SKB Shutters* case as a basis for his decision to rule that all the dependent claims by the appellants were rendered invalid on account of the main claim having been ruled to be invalid for lacking any inventive steps. With respect, we could not say that he was in error by concluding the way he did. He was bound by the decision of the *SKB Shutters* case and as the *SKB Shutter* case emanated from our apex court, we must be bound by it as well vide the principle of stare decisis.

SUBMISSIONS BY THE PLAINTIFFS' COUNSEL

[15] Learned counsel for the plaintiffs submitted that the decision in *SKB Shutters* was wrong, uncertain, and/or unjust and therefore merit this court's departure. Learned counsel cited, amongst others, the following reasons:

(a) the principle in the *SKB Shutters* is inconsistent with the Patents Act 1983 and Patents Regulations 1986 and the previous understanding and application of the roles and functions of claims, whether independent or dependent;

(b) neither the Patents Act 1983 nor the Patents Regulations 1986 provides for the principle in the *SKB Shutters*. Except for the definition under the Patents Regulations 1986 that a dependent claim is known as a claim that includes the features of another claim, neither the Act nor the regulations attempts to treat the dependent claim any differently from the independent claim. Thus, the validity of a dependent claim ought to be assessed and determined separately from its independent claim;

(c) the statutory grounds for invalidating a patent claim, as provided for under the Patens Act 1983 do not distinguish an independent claim from a dependent claim;

(d) furthermore, the grounds for invalidating a patent claim, as provided for under s 56(2) of the Patents Act 1983 are exhaustive, owing to the word 'shall'. None of the paras (a)–(e) under s 56(2) of the Patents Act 1983 spoke about the automatic invalidation of dependent claims upon the invalidation ruling of their independent claim. This clearly goes against the tenets of evidentiary burden of proof that the person aggrieved or the defendant is expected to discharge;

(e) the principle held in the *SKB Shutters* was premised on the misconceived understanding and/or practice that unless the dependent claims are redrafted to incorporate the features of the claims that they were dependent upon and were made an independent claim on its own, the dependent claims cannot be understood. Underlying this reasoning is the technical argument that the dependent claim is not able to make reference to the features of the invalidated independent claim; and

(f) the principle held in the *SKB Shutters* has a far reaching impact on patent claims which are already registered and/or already filed and/or will be filed in the country. It defeats the objective of the Patents Act 1983 as it will result in dependent claims redundant.

[16] Learned counsel further submitted that the present appeal calls for a determination of the leave question. A determination of the leave would help put right the wrongs which continue to be perpetuated by the lower courts which are duty-bound to accept the *SKB Shutters* ruling owing to the principle of stare decisis.

[17] In the premise, learned counsel prayed that the leave question to be answered in favour of the plaintiff and the matter be remitted back to the High Court to determine separately and individually on the issue of validity of the dependent claims 2–22 on the ground of obviousness or inventive step. At para 112 of his written submission, learned counsel prayed as follows:

> [112] As the validity of each and every dependent Claims 2-22 of the 194 Patent was neither contemplated nor determined by the Courts below from the viewpoint of obviousness/non-inventive step, the appellant would respectfully request that these relevant issues be remitted back to the HC for its determination.

SUBMISSIONS BY THE DEFENDANT'S COUNSEL

[18] At the outset, learned counsel for the defendant highlighted that since the leave question is only in respect of the validity of the dependent claims 2–22, irrespective of the answer to the leave question, the independent claim 1 in 194 Patent will still be invalid a held by the High Court and affirmed by the Court of Appeal. This would means that the decision of the High Court and affirmed the Court of Appeal on the invalidity of the independent claim 1, including its finding of fact on the inventive claim and common general knowledge, should not be disturbed.

[19] On the issue of *SKB Shutters* ruling as raised by learned counsel for the plaintiffs, learned counsel for the defendant submitted that *SKB Shutters* had rightly set out the roles and functions of independent and dependant claims.

[20] To strengthen her submissions, learned counsel highlighted the following points:

(a) not every claim would constitute an invention by itself. In fact, most of the time, a patent that contains only one independent claim and multiple dependent claims would relate to one invention only. Some patent may even have more than 20 dependent claims which relate to one invention only;

(b) in fact, it is acknowledged in case law that dependent claims do not reflect a proliferation of inventive concepts;

(c) reg 19(3) states that all dependent claims must claim specific forms of invention claimed in an independent claim. This means a dependent claim is still very much tied to the independent claim;

(d) regulation 19(3) itself makes reference to s 26 of the Act which provides that a patent application shall relate to either:

(i) one invention only; or

(ii) a group of inventions so linked as to form a single inventive concept;

(e) where there is only one invention, if the court finds that the alleged invention lacks inventive step, this would invariably means the entire patent also lacks inventive step because all the independent and dependent claims relate to the same invention irrespective of the number of claims in the patent;

(f) by using the *Windsurfing* test which is the applicable test to determine whether a patent lacks inventive step, it is stated that the court will compare the differences between the invention and the prior art and decide whether the differences would be obvious;

(g) it would be illogical if the court finds the invention invalid after evaluating the independent claim, would come to a different conclusion when evaluating the dependent claims since all these claims relate to the same invention; and

(h) it is on this basis that in a patent consisting of only one invention, when the independent claim falls, the dependent claim automatically falls.

[21] As such, learned counsel submitted that the principle 'when an independent claim falls, the dependent claims automatically falls' is correct and well-founded in the context of a patent containing one invention only which is common in almost every patent by virtue of s 26 of the Act which states: 'An application shall relate to one invention only or to a group of inventions so linked as to form a group of inventions so linked as to form a single general inventive concept'.

A OUR DECISION

[22] The appeal before us concerns only with the issue of automatic invalidation of dependent claims (in some jurisdiction they are referred to 'subsidiary claims') once the independent main claim is declared invalid by the court. The leave question, the memorandum of appeal and learned counsel's submissions clearly indicate is confined only to this point. Ultimately, learned counsel for the plaintiff prayed for the matter be remitted back to the High Court to hear and determine separately on the issue of validity of the dependent claims 2–22 on the ground of obviousness or inventive step and the return of the sum of RM656,853.03 already paid by the plaintiffs to the defendant. Therefore, we agree with the learned counsel for the defendant, that the order of the High Court, which was affirmed by the Court of Appeal, that the independent claim 1 of 194 Patent being invalid for lacking inventive step, still stand and will not be disturbed in our judgment.

[23] The independent claim 1 (being the only independent claim in 194 Patent), was declared invalid by the High Court on the ground that the invention of '70mg once a week' in 194 Patent is obvious ie common general knowledge to persons skilled in the art and therefore lacks inventive step as it did not require any degree of invention. The said patent consists of altogether 22 claims. Out of these 22 claims, claim 1 is the only independent claim whereas claims 2–22 are all dependent or subsidiary claims. The inventive claim in 194 Patent according to the evidence of the plaintiffs' own expert is the use of alendronic acid for making oral medicament for the oral administration of 70mg of alendronade in a single weekly dose to treat osteoporosis. That is the core of the invention of 194 Patent, which is derived from the independent claim 1 and being referred to in all the dependent claims 2–22.

[24] All the dependent claims 2–22 are depending on the generality of claim 1 in term of its 'use' of alendronate as expressly described as the core invention of 194 Patent as described in claim 1. The dependent claims 2–22 in essence incorporate all the features of the independent claim 1. They are drafted to only make reference to the main claim described in claim 1 without expressly setting out the features of that claim.

[25] To better understand the issue at hand, it is important to see the brief description in each of the claim involved. As elaborately described by the learned judge in his judgment, the whole of 194 Patent provides for the following claims:

(a) claim 1 — use of alendronic acid or a pharmaceutically acceptable salt thereof, or a mixture thereof, for the manufacture of a medicament for inhibiting bone resorption in a human wherein said medicament is adapted for oral administration, in a unit dosage form which comprises

from about 8.75mg to 140mg of alendronic acid or a pharmaceutically acceptable salt thereof, on an alendronic acid active weight basis, according to a continuous schedule having periodicity from about once every three days to about once every 16 days;

(b) claim 2 — use according to claim 1 wherein said continuous schedule has a dosing interval selected from the group of once weekly dosing, twice-weekly dosing, biweekly dosing, and twice-monthly dosing;

(c) claim 3 — use according to claim 1 or claim 2 wherein said dosing interval is once-weekly;

(d) claim 4 — use according to claim 3 wherein said unit dosage comprises from about 17.5mg to about 70mg of alendronic acid or a pharmaceutically acceptable salt thereof, on an alendronic acid active weight basis;

(e) claim 5 — use according to any one of claims 1–4 using a sodium, potassium, calsium, magnesium or ammonium salt of alendronic acid;

(f) claim 6 — use according to any one of claims 1–5 using a sodium salt of alendronic acid;

(g) claim 7 — use according to any one of claims 1–6 using a monosodium salt of alendronic acid;

(h) claim 8 — use according to any one of claims 1–7 wherein said alendronic acid or a pharmaceutically acceptable salt thereof is hydrated;

(i) claim 9 — use according to any one of claims 1–8 using a monosodium trihydrate salt of alendronic acid;

(j) claim 10 — use according to any one of claims 4–9 wherein said unit dosage comprises about 70mg of alendronic acid or a pharmaceutically acceptable salt thereof, on an alendronic acid active weight basis;

(k) claim 11 — use according to claim 10 using alendronic monosodium trihydrate;

(l) claim 12 — use according to any one of claims 4–9 wherein said unit dosage comprises about 35mg of alendronic acid or a pharmaceutically acceptable salt thereof, on an alendronic acid active weight basis;

(m) claim 13 — use according to claim 12 using alendronic monosodium trihydrate;

(n) claim 14 — use according to any one of claims 1–9 for the manufacture of a medicament for treating osteoporosis in a human in need thereof;

(o) claim 15 — use according to claim 14 whereinsaid unit dosage comprises about 70mg of alendronic acid or a pharmaceutically acceptable salt thereof, on an alendronic acid active weight basis;

(p) claim 16 — use according to claim 15 using alendronic monosodium trihydrate;

(q) claim 17 — use according to any one of claims 1–9 for the manufacture of a medicament for preventing osteoporosis in a human in need thereof;

(r) claim 18 — use according to claim 17 wherein said unti dosage comprises about 35mg of alendronic acid or a pharmaceutically acceptable salt thereof, on an alendronic acid active weight basis;

(s) claim 19 — use according to any one of claims 1–19 wherein said medicament is in the form of a tablet;

(t) claim 20 — use according to any one of claims 1–19 wherein said medicament is in the form of a tablet;

(u) claim 21 — use according to any one of claims 1–19 wherein said medicament is in the form of a capsule; and

(v) claim 22 — use according to any one of claims 1–19 wherein said medicament is in the form of a liquid.

[26] A plain reading of the descriptions on all the dependent claims above, clearly show that the strength and validity of all the dependent claims 2–22 depend entirely on the strength and validity of the independent claim 1. It therefore follows that once the independent claim 1 is declared invalid by the court for being obvious and lacks of inventive step, it follow that all the dependent claims 2–22 will suffer the same fate ie they are all also obvious in their 'use' features and therefore also lack inventive step.

[27] An independent claim usually contains a preamble that does not recite another claim number. In contrast, a dependent claim usually will recite a prior claim number. Dependent claim often recites features that might be considered secondary while an independent claim recites a combination of core or primary features. Some dependent claims, besides making reference to an earlier independent claim, also have element of independent features of their own in their claim descriptions. In that case in the event the independent claim is declared invalid, the dependent claim may still survive to be determined on its own independent features separately. In the present case before us, all the dependent claims 2–22 have no such 'independent features'.

[28] Most dependent claims come with additional features that have the effect of narrowing the scope of the monopoly in the patent. The scope of monopoly as described in the main independent claim is wider and of general in nature. The features of the dependent claims do not create any new claim nor any new monopoly. They only describe the main claim in the independent

claim in more specific features. Depending on the wordings of the description of the claims, the narrow scope of claims in dependent claims would fall within the scope of the wider general claim of the independent claim within the same patent monopoly. It is therefore logical that once the general claim in the independent claim is declared invalid, the dependent claims must also fall. In this regard, we agree with learned counsel for the defendant that 'when the independent claim is invalid, the dependent claims will be left with just limitations without the features of the independent claim. In other words, there will no longer be any meaning to the dependent claim since it is still making reference to something that no longer exists ie the independent claim'.

[29] Section 26 of the PA provides that an application for the grant of a patent shall relate to one invention only or to a group of inventions so linked as to form a single general inventive concept. It follows that the grant of the said 194 Patent in the present case was granted based on the premise that the said patent relates to one invention only. That being the case, it follows that all the claims in the dependent claims 2–22, were so linked as to form a single general incentive concept. It is therefore, logical that once the 'one invention only' in the independent claim 1 is declared invalid, the others must also fall, as they form a single general inventive concept.

[30] That being the case, all the dependent claims 2–22 in the present case cannot stand by themselves. The core features of the claims as initially found in the independent claim 1 are no longer in existence. They by themselves cannot fulfil the requirements under reg 13 of the Patents Regulations 1986 that 'the claims shall be clear and concise and fully supported by description 'and shall define the invention in terms of the technical features of the invention'. Such patent, can be invalidated under s 56(2)(b) read together with s 23 of the Act for failure to comply with the prescribed regulations.

[31] The plaintiffs, as the patentees has never contended that 194 Patent contains more than one invention at the material time. Even their own expert had testified that there is only one invention in 194 Patent ie the sole invention claimed in the independent claim 1. To maintain an independent validity for each of the dependent claims has, in substance, a similar effect to the plaintiffs asserting that they have an equivalent number of separate inventions or patents (see *Bourns Inc v Raychem Corp and another* [1998] 2 RPC 31). There is also no indication in the plaintiffs' claims that all or any at the dependant claims 2–22 have an independent validity on its or their own, so as to survive in the event the independent claim 1 falls.

[32] In accordance with modern practice, a patentee is obliged to indicate which claims it maintained were independently valid (see: *Raychem Corp's Patents*). In other words, the court only need to consider the issue of

independent validity of each claims (be it independent or dependent claims) if the patentee indicate, before trial, which particular claims that need to be treated so. If amendment is required to incorporate such an indication, it must be done before trial starts but not when trial is completed. Otherwise, the court is not obliged to do so and the dependent claims will fall together with the main independent claim. This was what happened in *Raychem Cop's Patents* case, where, initially the patents in that case contained in total 110 claims, but before the trial ended, the patentee restricted his list of claims only to 17 claims, asserted to be independently valid, giving sufficient time to the other party to direct his evidence to proving invalidity of all of them.

[33] As stated earlier, the crux of the features in all the dependent claims 2–22, relate to the main general features of the independent claim 1. The additional features described in the dependent claims 2–22 comprise of more specific and detail description of the general 'use' of 70mg alendronate in a single weekly dose, which form the main claim in the independent claim 1. Those additional features are not 'stand-alone' claims to be considered as independent claims by themselves. They cannot stand as independent claims. Therefore, the question of asking the trial court to consider and determine each and every one of them separately as if they are independent claims despite the independent claim 1 is declared invalid, as urged by learned counsel for the appellants, does not arise. It is clearly an act of futility and serves no purpose.

[34] On the above ground, based on the facts and circumstances of the present case, we are, therefore, constrained to hold that all the dependent claims 2–22, automatically fall once the independent claim 1 is declared invalid by the court. Our decision is entirely based on our own evaluation of the factual matrix of the case, involving 194 Patent, without making any reference to the earlier ruling of this court in the case of *SKB Shutters Manufacturing*. Therefore, the question of revisiting the SKB Shutter's ruling, as urged by learned counsel for the appellants, does not arise.

[35] The above decision is consistent with *SKB Shutters*' ruling. It is also consistent with judicial decisions in other jurisdictions. It must be borne in mind that patent matters, like other intellectual property matters, usually involve the element of international flavour with international jurisdiction for their recognition throughout the world. The current trend is towards global harmonisation of patent laws and practices. Unless, otherwise expressly provided for in our local laws, our judicial decisions on the matter, should, as far as possible, be consistent with the decisions in other jurisdictions. However, it must also be stressed that these foreign decisions are not legally binding on our courts; they are highly persuasive for the sake of consistency. The learned judge had taken into his consideration on this issue in his judgment. He has correctly warned himself that the foreign decisions are not binding on him. He

appreciated that the court's invalidation of the independent claim 1 for not complying with the inventiveness requirement, is fortified by the similar findings of invalidation in other foreign decisions on the same patent.

[36] In the case of *GS Yuasa Corp v GBI Marketing Malaysia Sdn Bhd* [2017] 8 MLJ 166; [2016] AMEJ 2114, the High Court has made the following observation on the issue of foreign decision (with which we agree):

> It is undeniable that Intellectual Property rights (IP Rights) in respect of a particular product may be protected and enforced in many jurisdictions. The court should not take a blinkered view regarding the protection and enforcement of IP Rights. If a foreign court, especially its apex court, has decided on an issue regarding IP Rights of a particular product an identical or similar issue also arises regarding the same product in a Malaysian case, the Malaysian Court should consider the foreign judgment in deciding that issue. Needless to say, Malaysian Courts are not bound in any manner by any decision from a different jurisdiction. If a Malaysian Court however reaches a decision which is identical or similar to that decided by a foreign court regarding IP Rights of the same product, this will ensure consistency and predictability in the protection and enforcement of IP Rights of that product in different jurisdictions.

[37] In Singapore, the Court of Appeal in the case of *Sunseap Group Pte Ltd and others v Sun Electric Pte Ltd* [2019] SGCA 4, adopted the same principle similar to that as pronounced in this case as well as in *SKB Shutters*, that when the independent claim in the patent is invalid, all the dependent claims should also be invalidated, as the dependent claims refer back to the independent claim and incorporate all its features.

[38] In that case, (*Sun Electric Pte Ltd*) the respondent, the registered proprietor of a Singapore patent based on Singapore Patent Application No 102014053414, in respect of a power grid system and a method of determining power consumption at building connection in the system, commenced a suit against the appellants for infringement of its patent. The appellants denied all the allegations of infringement and as a counter claim, prayed for a declaration, inter alia, that the said patent has been at all material times invalid on the ground that it lack novelty and lack of inventive step.

[39] At para 70, of its judgment (in that case), the Singapore Court of Appeal made the following ruling:

> 70. However, in addition to the above, there is at least one other scenario where the patent should be revoked. This is the scenario where all the independent claims in a patent have been found to be invalid. This presupposes that the patent-holder has alleged infringement of all the independent claims in the patent and that the defendant has in turn challenged the validity of all the independent claims by way of defence. If the court finds in the defendant's favour that the independent claims

A are invalid, it follows that the dependent claims must also fall. This is because, as the nomenclature suggests, dependent claims (or 'subsidiary claims') refer back to the independent claim and incorporate all its features (see: *Lee Tat Cheng v Maka GPS Technologies Pte Ltd* [2017] 3 SLRT 1334 at p 1041). This would be so even if the defendant did not challenge specifically the validity of the dependent claims in its B defence. Thus, in practical terms, once the defendant succeeds in establishing that all the independent claims in a patent are invalid, the dependent claims must necessarily fall away and the patent as a whole must be regarded as invalid. In such circumstances, it would also be proper for the High Court to exercise its power under ss 91(1) read with 80 to order that the patent be revoked.

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[40] The same principle that dependent claims shall be invalidated upon invalidation of the related independent claim, was also adopted by the Federal Court of Australia in the case of *EI Du Pont de Nemours & Co v Imperial Chemical Industries PLC* [2007] FCAFC 163. At para [56] of its judgment, the D court held that 'Claim 1 was the only independent claim, and dealt with that claim. It followed that all dependent claims, including claim 4, fell once the principal claim was found to be invalid.' At para (161) of the judgement, the court ruled that 'the invention as claimed in Claim 1 of the Patent application was anticipated and without amendment the dependent claims fell with it'.

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[41] In an earlier case of *William Advanced Materials Inc v Target Technology Co LLC* [2004] 63 IPR 645, the Federal Court of Australia, held in effect that claim 12 (in that case) was dependent on each of claims 9 and 10 and once F claims 9 and 10 were held to be not novel, being anticipated by european patent, it followed that claim 12 was also not novel as it incorporates any invalidity of the earlier claims 9 and 10. The court also ruled that claims 16, 38 and 39 were also invalid for being not novel on the ground that they depend on the invalid claims of claims 9 and 10.

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[42] In a UK case of *Windsurfing International Inc v Tabur Marine (Great Britain) Ltd* [1985] RPC 59, the UK Court of Appeal ruled that 'Claims 2 to 6 inclusive are merely variants of Claim 1 by the addition or subtraction of individual features. It is accepted that they must stand or fall with Claim 1'.

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[43] In the EU case of *(PHILIPS/Public Availability of an E-mail Transmitted via the Internet)* [2012] EPOR 41, the same principle was adopted. In that case it was declared that 'Claims 2 and 3 as dependent claims thus had no independent validity ... Claims 2 and 3 were dependent on Claim 1 and I therefore shared its fate ..., and the subject matter of Claim 1 is thus inventive. The same applies to Claim 2 which depends on Claim 1'.

CONCLUSION

[44] Based on the above reasoning, we, the minority, would answer the leave question as follows:

> where an independent claim is adjudged to be invalid, claims which are dependant on the said independent claim would be automatically rendered invalid without the need for the court to consider separately the validity of each and every dependant claim (s) if the independent claim and dependant claims relate to the same and one invention and the defendant claims have no separate independent features of themselves.

[45] In the upshot, we dismiss the appeal with costs. We affirm the decision of the courts below.

Nallini Pathmanathan FCJ (delivering majority judgment of the court):

INTRODUCTION

[46] The single legal issue that falls for consideration in this appeal is whether the adjudication of an independent claim as invalid, automatically renders claims which are dependent on the independent claim invalid, without the need for the court to consider separately the validity of each and every dependent claim(s).

[47] This issue, which comprises the sole leave question, arises as a consequence of the decision of this court in *SKB Shutters Manufacturing Sdn Bhd v Seng Kong Shutter Industries Sdn Bhd & Anor* [2015] 6 MLJ 293 ('SKB Shutters'). In that case, this court held that in the event an independent claim is held to be invalid, the only way dependent claims can survive and stand, if at all, is if the dependent claims are redrafted to incorporate the features of the claim upon which they are dependent and are made an independent claim. In short, the dependent claims cannot survive when the claim upon which they are dependent is invalid. As such, upon the independent claim being held invalid, all the dependent claims automatically fall.

[48] The practical effect of this ruling, which is binding on lower courts, is that the trial courts need no longer determine the validity of dependent claims once the claims upon which they are dependent (ie the independent claims) are found to be invalid.

[49] The appellants contend that this approach is 'uncertain, unjust or outmoded or obsolete in modern conditions'. They further contend that such a practice, namely the automatic invalidation of dependent claims upon the independent claim being held invalid is not consistent with patent practice in

A other jurisdictions globally, nor with accepted and established case law.

[50] On 26 June 2018 leave was granted to the appellants to essentially revisit the ruling in the *SKB Shutters* case. The appellants' contention is that even when an independent claim is held to be invalid, it does not automatically follow that dependent claims fall. Instead, the accepted practice, they maintain, is for the trial court to consider the validity of the dependent claims on the basis of the merits of each of these claims against the patentability requirements under the Patents Act 1983. The basis for such a contention is that dependent claims, apart from including the features of the independent claim, may also have additional features. These additional features make the dependent claim's scope of monopoly different from that of the independent claim's. In order to appreciate this, it is necessary to comprehend the concept of independent and dependent claims.

OVERVIEW OF THE CASE BEFORE US IN THE CONTEXT OF INDEPENDENT AND DEPENDENT CLAIMS

[51] Both appellants in the present appeal were the plaintiffs at the High Court. They brought an action against the respondent (defendant therein) for patent infringement of their patent, Malaysia Patent No MY-118194-A ('194 Patent'). The parties will be referred to as they were in the trial court for ease of comprehension.

[52] The plaintiffs claimed that the defendant's import, manufacture, offer for sale and stocking for the purpose of sale or offer for sale, alendronate 70mg tablets had infringed their 194 Patent, as the first plaintiff was, at the material time, the registered owner of the said patent pertaining to the alendronate dosing issue.

[53] Under the patent, the first plaintiff produced a pharmaceutical product of alendronic acid or a pharmaceutically acceptable salt (alendronate) under the trade name 'Fosamax' to inhibit bone resorption in humans. The second plaintiff is a Malaysian company which holds the exclusive licence from the first plaintiff to distribute, sell, and offer to sell Fosamax products in Malaysia. The defendant, by way of defence, denied the alleged infringement and counterclaimed for a declaration that the 194 Patent was invalid on the ground that the patent exhibited no inventive step pursuant to s 56(2) of the Patents Act 1983 ('the Act').

[54] On 30 August 2016, the High Court dismissed the plaintiffs' infringement action against the defendant and allowed the latter's counterclaim for invalidation of the 194 Patent. The learned judge declared that the 194 Patent was invalid for want of inventive step. *The court went on to*

hold, and this is the significant aspect of the case, that as the independent claim was invalid, all dependent claims related to the 194 Patent fell.

[55] The plaintiffs appealed to the Court of Appeal. It unanimously dismissed the appeal. The plaintiffs filed an application for leave to appeal to the Federal Court, which was granted, leading to the present appeal. It should be pointed out that the facts are of limited relevance because the primary finding of the trial judge on the invalidity of the 194 Patent independent claim is not challenged.

[56] As stated at the outset, the sole question before us is whether it is correct to hold that the independent claim having fallen, all the other dependent claims also fall automatically as held in *SKB Shutters*. The plaintiffs contend that it was incumbent upon the judge to consider the dependent claims separately in the trial before reaching such a conclusion.

THE PARTIES' SUBMISSIONS

[57] Counsel for the plaintiffs submitted that the decision in *SKB Shutters* was wrong, uncertain, and/or unjust and therefore merits this court's departure. In justifying that claim, counsel submitted the following reasons:

(a) the principle in *SKB Shutters* is inconsistent with the Act and Patents Regulations 1986 ('the Regulations'), and also with the previous understanding on the functions of independent or dependent claims;

(b) neither the Act nor the Patents Regulations 1986 provides for the principle established in *SKB Shutters.* The Act and the Regulations do not intend to treat dependent claims differently from independent claims (sic). Thus, the validity of dependent claims ought to be assessed and determined separately from the related independent claim(s);

(c) the statutory grounds for invalidating a patent claim as provided under the Act do not distinguish an independent claim from a dependent claim;

(d) the grounds for invalidating a patent claim under s 56(2) of the Act are exhaustive because of the term 'shall'. None of the grounds stipulated an automatic invalidation of dependent claims once an independent claim falls;

(e) the principle held in *SKB Shutters* was premised upon a misconceived understanding that unless a dependent claim is redrafted or amended into an independent claim, the dependent claims do not possess any legitimacy; and

(f) the principle in *SKB Shutters* has a pervasive impact on patent claims

A which are already registered and/or filed and/or will be filed in the country. This ruling is contrary to the objective of the Act, in that, it will render dependent claims redundant.

B **[58]** Counsel submitted that the leave question be answered in favour of the plaintiff and the matter be remitted to the High Court to determine separately and individually the validity of the dependent claims on the ground of obviousness or inventive step.

C **[59]** Counsel for the defendants submitted at the outset that irrespective of the answer to the leave question, the invalidity of the 194 Patent would be undisturbed, and should remain invalid as held by the High Court.

D **[60]** Counsel for the defendants also contended that the position in *SKB Shutters* is the correct legal position on the interdependency of independent and dependent claims. They also submitted that this position is also similar to that of other jurisdictions, eg: Singapore, Australia, UK and the European Union.

E **[61]** Learned counsel also highlighted several points:

(a) not every claim would constitute an invention by itself. The dependent claims do not necessarily protect a new invention, it may relate to one invention only (sic);

F (b) it is acknowledged in case law that dependent claims do not reflect a proliferation of inventive concepts;

(c) reg 19(3) of the Patent Regulations 1986 states that all dependent claims must claim specific forms of invention claimed in an independent claim. This, according to the learned counsel, is proof that a dependent claim is still reliant on the independent claim;

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(d) reg 19(3) makes reference to s 26 of the Act which provides that a patent application shall relate to either:

H (i) one invention only; or

(ii) a group of inventions so linked as to form a single inventive concept

(e) if there is only one invention and the court finds that it lacks inventive step, the entire patent would also lack inventive step because the claims both dependent and independent relate to the same invention;

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(f) by using the *Windsurfing* test which is the applicable test to determine whether a patent lacks inventive step, it is stated that the court will compare the differences between the invention and the prior art and decide whether the differences would be obvious;

(g) it would be illogical if the court found the invention invalid after evaluating the independent claim, and arrived at a different conclusion when evaluating the dependent claims since all these claims relate to the same invention; and

(h) it is on this basis that in a patent consisting of only one invention, when the independent claim is invalid, the dependent claims automatically fail.

[62] Hence, counsel for the defendant submitted that the principle that a dependent claim's survival depends on the independent claim is the correct principle in the context of a patent containing one invention only.

OUR ANALYSIS AND DECISION

[63] In determining the question of law in this present appeal before us, we are of the view that it is pertinent to look at the basic tenets of patent law. We shall begin by looking at the concept and definitions of independent and dependent claims. This is in order to comprehend the interdependency of these claims and whether or not the treatment of these claims is in line with the legal approach taken by the courts in *SKB Shutters*.

[64] We shall also examine the form of patent claims as well as the different types of claims in a patent application to determine whether the blanket rule developed in *SKB Shutters* is justified.

[65] We shall examine the position in other jurisdictions namely, the United Kingdom and the US, in relation to:

(a) the effect of the different forms of claims on the issue of interdependency;

(b) the different types of challenges available to oppose patent claim validity; and

(c) how these claims and challenges are dealt with and adjudicated upon.

[66] We shall then provide our analysis on *SKB Shutters* and the Australian case of *EI Du Pont de Nemours & Co v Imperial Chemical Industries PLC* [2007] FCAFC 163 ('the Du Pont case').

[67] Finally, we shall clarify the position of amendment of claims in Malaysia under the Act.

A THE CONCEPT OF AN INDEPENDENT AND DEPENDENT CLAIM

[68] The grant of a patent for an invention is the grant to the patentee for a limited period of a monopoly right in respect of that invention (see *Terrell on the Law of Patents,* 15th Ed). The boundaries of the monopoly over that certain invention would be enumerated through claims. Claims are generally drafted in two distinct forms: namely independent claims and dependent claims. It is pertinent to consider the concept of both an independent claim and a dependent claim to fully grasp the underlying relationship between the two.

[69] The concept of an independent claim is that it is normally the claim defining the broadest penumbra of monopoly. On the other hand, a dependent claim defines a narrower scope of monopoly. This is illustrated in the case of *Generics (UK) Limited (t/a Mylan) v Warner-Lambert Company LLC (No 2)* [2016] RPC 16 ('Generics'), at para 9:

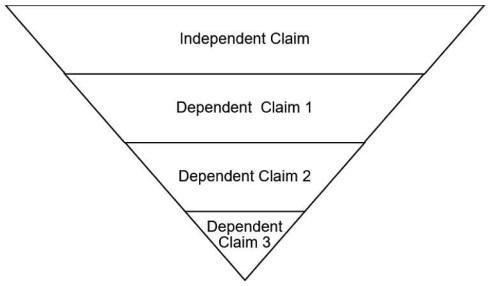
> *Most patents contain one or more independent claims together with subsidiary claims with additional features. As progressively more features are included in the subsidiary claims, so the scope of the monopoly narrows*. (Emphasis added.)

[70] Jeffrey A Lefstin writes, in support of *Generics*, in his article *The Formal Structure of Patent Law and the Limits of Enablement (2008) 23 Berkeley Technology Law Journal 1141, (fn 17)*:

> The practical motivation to construct hierarchies of successively narrower claims is to ensure that some claims remain valid. If broad claims are invalidated because it is later discovered that they read upon the prior art, or are too broad in light of the patentee's disclosure, the patentee may be able to fall back on narrower dependent claims that are still valid. Because narrower claims encompass less subject matter, they are less likely to encompass prior art or subject matter that the patentee did not enable or describe.

[71] In other words, if a claim were constructed so as to be too broad, then it would likely cover inventions already disclosed by Prior Art or prior publications. This would make the claim more susceptible to validity challenges. On the contrary, if a claim were to be too narrowly constructed, the scope of monopoly afforded to the patentee would be negligible and would not be practical as no one would infringe the patent (see *Gillette Safety Razor Co v Anglo-American Trading Co Ltd* (1913) 30 RPC 465 at p 480 per Lord Moulton).

[72] Figure 1 below illustrates the hierarchy of claims of which Lefstin describes:



[73] The parts of the inverted pyramid represent the scope of each claim. The independent claim has the broadest scope of monopoly and the dependent claims have narrower scopes of monopoly.

[74] In terms of invalidity proceedings, the invalidity of the independent claim would only nullify the top part of the pyramid but leave the dependent claims unaffected. Similarly, if dependent claim 3 were to be invalidated, then dependent claims 1 and 2 along with the independent claim would collapse as well.

[75] This was echoed in *Conor Medsystems Inc v Angiotech Pharmaceuticals Inc* [2008] RPC 28 ('Conor Medsystems'), at H14 wherein it was accepted that 'if [dependent] claim 12 failed, the wider claims also failed'.

[76] There is no technical definition of an independent claim or a dependent claim in Malaysian patent law to shed light on the comprehension of such terms. The only description of a dependent claim in Malaysia is set out under reg 14(1) of the Regulation, which is as follows:

> any claim which *includes all the features of one or more other claims*, shall contain, if possible, a reference to the other claim and shall then state the *additional featurs* claimed. (Emphasis added.)

[77] Regulation 14 emulates the statutory description of a dependent claim in the US federal law. We find the US statutory description of a dependent claim instructive and useful to understanding the universal concept of how it interrelates to an independent claim.

DEFINITION OF DEPENDENT CLAIMS IN THE US

[78] The description under federal law in *35 United States Code (USC) § 112 (2006)* describes a dependent claim as follows:

> A claim in dependent form shall *contain a reference to a claim previously set forth* and then *specify a further limitation* of the subject matter claimed. A claim in dependent

A form shall be *construed to incorporate by reference all the limitations of the claim to which it refers*. (Emphasis added.)

B **[79]** The US Code of Federal Regulations [37 CFR § 1.75(c)] and the US Manual of Patent Examining Procedure [section 1824, 6.4(a)] also describes a dependent claim in a similar fashion as the aforementioned federal provision. It is apposite to note that *these provisions consistently refrained from dictating that a dependent claim's survival depends on the independent claim*. All three provisions merely describe a dependent claim as *containing a reference to a claim previously set forth*, and further *limiting the scope claimed*. It acknowledges the close relationship between such claims, but does not assert that their survival is interdependent.

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D **[80]** Therefore, it is inaccurate to merely perceive a dependent claim as only an extension of an independent claim based on the above understanding of the universal concept of how an independent claim interrelates with a dependent claim. It is included to further narrow the scope of monopoly to protect such features against infringement by third parties.

E FORMS OF CLAIMS

[81] Patentees are permitted to draft their claims however they please, incorporating as many or as few features in the specifications to form the basis of their claims.

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[82] Figure 2 below shows the structure of a patent with particular focus on its features (Features A–F). These features listed in the specification will form the basis of the claims in a patent.

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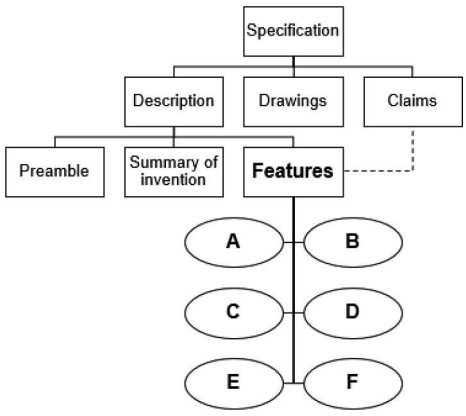

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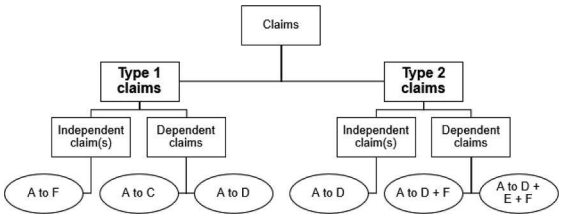
[83] In drafting claims, an independent claim would typically be a broad, general claim that is an amalgamation of its dependent claims which are subsets of the independent claim. An example of this type of form of claim can be found in the case of *Ultraframe (UK) Ltd v Eurocell Building Plastics Ltd* [2005] RPC 36 at para 41:

> The argument is this: that the width of claim 1 must be wider than claim 3 and that it was only claim 3 which contained a limitation requiring some prior restraint. It is an example of the argument epitomised by the late Anthony Walton QC: 'Claim 1 'A car'; Claim 2 'A car wherein the wheels are round" — forcing you to the conclusion that claim 1 covers cars with non-round wheels.

[84] We will hereinafter refer to this type of form as a 'Type 1' for ease of reference.

[85] Another form of claim is that which is described in the case of *Generics* in [24] above where the dependent claims include features that are added to the independent claim. We shall refer to this form of claim as 'Type 2' claims.

[86] Figure 3 below shows the two types of forms that exist, incorporating the features in Figure 2.



[87] Type 1 claims consist of one or more independent claims which are supersets of their dependent claims incorporating all features A–to F, to have the broadest scope possible. Naturally, the dependent claims would be subsets of the independent claim, focusing on specific features and having a narrower scope.

[88] Type 2 claims consist of one or more broad independent claims which do not necessarily include all of the features listed in the specification. Their dependent claims however, include additional features over and above the independent claim(s), making them more specific, having a narrower scope, and thus harder to infringe.

[89] It is also important to note that some of the drafting of claims might incorporate both Type 1 and Type 2 claims. The different forms of claims have different implications when determining their interdependency and by extension, their validity.

INTERDEPENDENCY OF CLAIMS

[90] Section 26 of the Act provides that 'an application shall relate to one invention only or to *a group of inventions so linked as to form a single general inventive concept*' (unity of invention). This would suggest an automatic presumption of association between claims if a patent has been granted, be it by reason of construction or language.

[91] Despite this presumption existing upon grant, it is not intrinsic during invalidity and infringement proceedings.

[92] Determining the interdependency of claims is paramount for the purposes of deducing which dependent claims might fall when the claim(s) they are dependent upon fail(s). It is incumbent upon a trial court to not only read and construe the independent and dependent claims in full but to also hear evidence in respect of each of those claims or category of claims as may have been defined by counsel at the outset of trial. In this case and in *SKB Shutters*, there was no such consideration of oral evidence in respect of the dependent claims.

THE ENGLISH POSITION

[93] The plaintiffs submit that dependent claims should be adjudged separately from the independent claim and rely on Laddie J's statements in *Bourns Inc v Raychem Corp and another* [1998] 2 RPC 31 at p 36 ('Raychem') stating, of subsidiary (dependent) claims:

> Maintaining independent validity for subsidiary claims has, in substance, a similar effect to the patentee asserting that he has an equivalent number of separate inventions or patents. The party attacking validity has to direct his evidence to proving invalidity to all of them.

THE AMERICAN POSITION

[94] The American statute 35 USC s 282(a) gives weight to this argument stating: 'Each claim of a patent (whether independent, dependent, or multiple dependent form) shall be presumed valid independently of the validity of other claims; dependent or multiple dependent claims shall be presumed valid even though dependent upon an invalid claim'.

[95] The American cases of *Honeywell Int'l Inc v Hamilton Sundstrand Corp* 370 F.3d1131 at p 1148 (Fed Cir 2004) ('Honeywell') and *Wahpeton Canvas Co v Frontier, Inc.* 870 F.2d 1546 at p 1552 at n9 ('Wahpeton') approach dependent claims in a similar fashion.

[96] In *Honeywell*: 'Each claim defines a separate invention, whether or not written in independent form; and its validity stands or falls separately'.

[97] In *Wahpeton*: 'One may infringe an independent claim and not infringe a claim dependent on that claim. The reverse is not true. One who does not infringe an independent claim cannot infringe a claim dependent on (and thus containing all the limitations of) that claim'. The first sentence in the quotation here evidently refers to type 2 claims discussed above.

[98] A consideration of Malaysian case law prior to *SKB Shutters* discloses that a similar position conceptually was adopted (see for example *Fukuyama Automation Sdn Bhd v Xin Xin Engineering Sdn Bhd & Ors* [2015] 9 MLJ 823 and *Winthrop Pharmaceuticals (Malaysia) v Astrazeneca UK Limited* [2015] MLJU 2014). After considering the positions in both the UK and the US, we are in agreement with the plaintiffs that independent and dependent claims should be treated separately.

[99] In our opinion, the treatment of interdependent claims in other jurisdictions is relevant, especially to type 2 claims. This is because dependent claims incorporate additional features not included in the independent claim which could therefore have independent validity should the independent claim be invalidated, despite their dependence upon it.

[100] A type 1 claim, although having its dependent claims intertwined with its independent claim(s), could still have its dependent claims found to be independently valid *depending on the basis of challenge* to the patent's validity.

[101] The determination of the form of claims will lay the foundation for the treatment of type 1 claims and type 2 claims.

BASES OF CHALLENGES

[102] The bases of challenges to validity include, but are not limited to:

(a) lack of novelty/anticipation;

(b) lack of inventive step/obviousness;

(c) ambiguity;

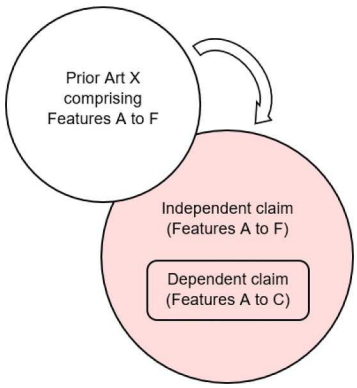
(d) insufficiency; and

(e) lack of industrial applicability.

We will pay particular attention to bases relating to prior art (lack of novelty/anticipation and lack of inventive step/obviousness) because these bases of challenge are relevant to the present appeal.

[103] In cases where the validity of patents is challenged based on prior art, it is imperative to consider the type of the claim as it will have an effect on the validity of dependent claims.

[104] Figure 4 shows the interaction between prior art X (having all the features of the independent claim) and a type 1 claim.



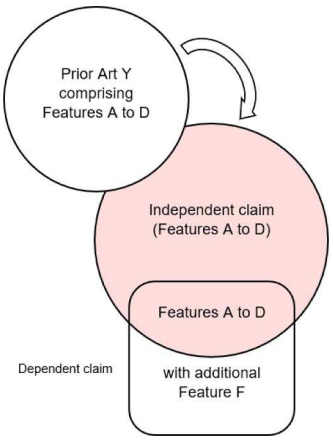
[105] Since the dependent claim is a subset of the independent claim, and all its features are present in the independent claim, it stands to reason that, should the prior art have the same features of the independent claim, when the independent claim is found to be invalid, the dependent claim falls.

[106] However, for the purposes of this appeal relating to the approach taken in *SKB Shutters*, it is crucial to note that in order to determine and hold that all the dependent claims fall if the independent claim fails, the trial court undertakes the exercise of hearing evidence to this effect. The trial court does not arrive at this conclusion without the benefit of such evidence. In short, a technical expert witness approximating the person ordinarily skilled in the art is expected to assist the court in confirming that there are no additional features that make the dependent claim independently valid. The court will then in a position to determine that all the dependent claims fall after the independent claim fails.

[107] This position is echoed in *Raychem* (above) at para 48 where Laddie J expressly stated that the challenger in a patent invalidity suit has to adduce

evidence to proving the invalidity of all claims, meaning both independent and dependent claims.

[108] Figure 5 illustrates the interaction between prior art Y (having all the features of the independent claim as well) and a type 2 claim.



[109] The dependent claim contains all the features of the independent claim along with an additional Feature F. It cannot be the case that should the independent claim be invalid, then the whole dependent claim necessarily lacks validity, *as the dependent claim may have a feature or element that is not one disclosed by the Prior Art*.

[110] The hypothetical representation of circumstances in figures 4 and 5 coupled with Lefstin's statements are in line with Laddie J's discourse in [93] above, in that the opposing party must prove invalidity with regard to all claims that are opposed should the dependent claims have independent validity.

[111] It is true that when the validity of a patent is challenged based on prior art and where the form of claims is of type 1, the dependent claims may be invalidated by virtue of the independent claim being invalid. However, the determination of the type or form employed requires careful consideration of: (a) the language; (b) the content of the claims themselves; and (d) the expert evidence in respect of each of the claims.

THE APPROACH TO BE ADOPTED BY A TRIAL COURT

[112] As Oliver LJ stated in *Windsurfing International Inc v Tabur Marine (Great Britain) Ltd* [1985] RPC 59 at p 73, the first step the court has to take

during invalidity proceedings is to 'identify the inventive concept embodied in the patent in suit'.

[113] Where the language and construction of the claims is less than intelligible, the court should 'guard against being impressed by the form and language of the claims rather than the substance of the patentee's alleged technical contribution' as Laddie J observed in *Raychem* (at p 37). Needless to say, this applies to both the independent and dependent claims.

[114] The drafting of the claims may be convoluted but it is the court's duty to work through them nonetheless by 'break[ing] free of the language and concern[ing] itself with what the claims really mean' and to determine what a person skilled in the art would have understood the claims to mean (both independent and dependent) (see *Kirin-Amgen Inc and others v Hoechst Marion Roussel Ltd* [2005] RPC 9, at paras 30–35).

[115] In order to ascertain whether the patent has an inventive concept, it is necessary for the trial court to hear the evidence adduced in respect of the alleged inventive concept in each of the independent and dependent claims.

UK CASE LAW

[116] The treatment of type 1 claims in figure 4 at [99] is that which is adopted in the United Kingdom. The Scottish case of *Verathon Medical (Canada) ULC v Aircraft Medical Ltd* [2011] CSOH 19 ('Verathon') dealt with a patent of intubation instruments. What the patentee purported to be the inventive concept was the attachment of a camera to visualise the larynx indirectly in lieu of repositioning a patient's head.

[117] Claim 1 was in the following terms:

> An intubation instrument, a portion of which is for insertion into a patient through the patient's mouth, comprising: a body (20', 20') having a handle (24) attached thereto; an elongate arm (22) having a substantially straight elongate base portion (202) attached to the body (20', 20') and a substantially straight elongate lifter portion (204) extending from said elongate base portion (202) at a defined angle (208), said elongate base portion having a first defined length (207), said elongate lifter portion (204) having a second defined length (205) and a smooth surface for engaging the patient's epiglottis and a distal end (210) for insertion distal-end first through the patient's mouth, said elongate arm (22) defining an anterior side positioned toward said handle and an opposite posterior side, and a viewer (80') operably secured to said posterior side of said arm (22) substantially where said elongate base portion (202) meets said elongate lifter portion (204); characterised in that : said second defined length (205) being about as long as first defined length (207); said viewer (80') being directed toward the distal end (210) of said elongate lifter portion (204); and said viewer (80') being a camera.

[118] Claims 2–10 and 14–17 are dependent on claim 1 and incorporate modifications to the features of the laryngoscope. These include modifications to the lengths of parts of the laryngoscope, and to the specific features of the equipment. Claims 11–13 are also dependent on claim 1 but deal with the angle of extension of the lifter portion of the laryngoscope.

[119] It was acknowledged by the patentee that if claim 1 failed for want of inventive step, claims 2–10 and 14–16 would also be invalid ((‘Verathon’) at para 138).

[120] However, Lord Hodge held the patent to be valid based on his construction of claim 1 (*Verathon* (at para 172)). *His Lordship then went on to state that claim 17, which was a dependent claim, would have been independently valid if the prior art did not already disclose a device with a wireless connection to a monitor for viewing.*

[121] The dependent claims in *Verathon* were of the type 1 form where prior art had not overlapped with the independent claim (claim 1). Therefore, the patent’s independent claims and dependent claims along with their amendments were held to be valid. If the independent claim was held to be invalid, then the claims which were depended upon it would also be invalid, supporting the treatment in figure 4.

[122] However, the point to be noted in this case is that, although there was a concession that the dependent claims would fall if the independent claim was found to be invalid, the court nonetheless went on to examine the dependent claims and concluded that claim 17 would have possessed independent validity.

[123] As for type 2 claims, the approach in the United Kingdom is that invalidity of the independent claim does not preclude the dependent claims from being valid themselves as illustrated in figure 5.

[124] One such case which demonstrates this approach is *Conor Medsystems* which dealt with a patent relating to stents for coronary angioplasty. Claims 1, 11, and 12 were in the following terms:

> 1. A stent for expanding the lumen of a body passageway, comprising a generally tubular structure coated with an anti- angiogenic factor and a polymeric carrier, the factor being anti- angiogenic by the CAM assay, and wherein said anti-angiogenic factor is taxol, or an analogue or derivative thereof.
>
> 11. A stent according to any one of claims 1 to 5 for treating narrowing of a body passageway.

A 12. A stent according to claim 11 for treating or preventing recurrent stenosis ['restenosis'].

B **[125]** It was common knowledge at the time that stents could be used to treat stenosis, but such a method was susceptible to restenosis. However, it was contended by the patentee that the beneficial use of taxol coating on the stents was not common knowledge despite taxol being known to be anti-angiogenic.

C **[126]** There was no dispute between the parties that if claim 12, the narrow dependent claim, failed, then the wider claims would also fail. The court dealt with the primary debate about claim 12 by working backwards, starting with the dependent claim, which if found to be invalid, would invalidate the wider claims. *This case illustrates the point that a trial court has to look at the dependent claims separately to determine the validity of a patent*.

D AUSTRALIAN CASE LAW

[127] The same treatment is employed in Australia for type 1 claims. The case of *Austal Ships Pty Ltd v Stena Rederi Aktiebolag* [2005] FCA 805 ('Austal
E Ships') corroborates this point.

[128] The case dealt with a patent for the structure of a hull for multi-hulled ships. Claim 1 was independent while claims 2–9 were dependent upon claim 1. It was conceded that if opposition to claim 1 failed on the basis of lack of
F novelty, opposition to claims 2–9 would also fail. However, if opposition to claim 1 was successful, then the independent novelty of the dependent claims would have to be determined and addressed. This is in line with the explanation of the 'inverted pyramid structure' in [23] above. The claims
G would have to be dealt with separately to determine their scope notwithstanding the concessions made by the patentee. *This underscores the point that each independent and dependent claim has to be considered and dealt with separately.*

H AMERICAN CASE LAW

[129] The American courts also approach type 2 claims in a similar manner as borne out by the case of *Sandt Tech., Ltd. v. Resco Metal & Plastics Corp.* , 264 F.3d 1344 at p 1356 (Fed. Cir. 2001) where it was held that 'because dependent
I claims contain additional limitations, they cannot be presumed to be invalid as obvious just because the independent claims from which they depend have properly been so found'.

[130] *This case consolidates our view that where prior art does not fully disclose*

features present in the claims, such claims may possess independent validity and must be considered as such.

OTHER BASES OF CHALLENGES

[131] Some invalidity proceedings might not be conducted on the basis of Prior art but the challenge to validity could instead be on the bases of insufficiency of disclosure or ambiguity of the claims. In cases such as these, the treatment of claims illustrated in figures 4 and 5 may not apply as the figures relate solely to opposition based on prior art.

INSUFFICIENCY OF DISCLOSURE

[132] For example, in cases of insufficiency like the recent UK Supreme Court case of *Warner-Lambert Co LLC v Generics (UK) Ltd (t/a Mylan) and another (Secretary of State for Health and others intervening)* [2019] 3 All ER 95, the court addressed each claim *separately* to determine the scope of each claim and their interdependence upon one another. In this case, the patent involved a drug called 'pregabalin' used for treating pain. Claim 1 was the independent claim and claims 2 to 14 were dependent claims. Claims 1, 2, and 3 were in the following terms:

1. Use of [pregabalin] or a pharmaceutically acceptable salt thereof for the preparation of a pharmaceutical composition for treating pain;
2. Use according to Claim 1 wherein the pain is inflammatory pain;
3. Use according to Claim 1 wherein the pain is neuropathic pain.

[133] Claims 4–14 dealt with various types of pain within the subsets of claims 2 and 3.

[134] Their Lordships addressed *each dependent claim separately*, determining whether they fell under the umbrella of inflammatory or neuropathic pain before determining whether the disclosure supported those claims. It was held that the disclosure had not supported the claim that the drug helped to treat neuropathic pain. Thus, claims 1 and 3 and the claims dependent upon claim 3 were deemed to be invalid.

AMBIGUITY

[135] As for cases where opposition was based on the ambiguity of claims, the court has a duty to give appropriate meaning to the claims in question as mentioned in [68] with reference to *Raychem* (at p 37).

[136] This approach was applied in *BASF AG v SmithKline Beecham plc*

A [2004] IP & T 846 (EWCA Civ) ('BASF'). The court had to determine the meaning of the phrase 'substantially free of bound propan-2-ol'. To do so, it examined the specification of the patent (*BASF* at para 24) and the intention of the draftsman of the claims (*BASF* at para 26). The relevant evidence at trial had to be considered before the court could conclude that the phrase did not B have a meaning other than its ordinary meaning and the claims utilising the phrase were held to be invalid (*BASF* at para 31).

[137] The courts in these two cases could not apply the treatment of claims depicted in figures 4 and 5 because the circumstances of the cases did not relate C to prior art.

[138] Therefore, in cases where the challenge to validity is based on prior art (lack of novelty/anticipation or lack of inventive step/obviousness), the trial court is bound to hear evidence on each claim (whether independent or D dependent) unless there is a concession and to then determine the type or form of claim (whether type 1 or type 2), before considering the validity of each of the independent and dependent claims.

E **[139]** In cases where the challenge does not relate to prior art, the position is the same, namely that the court should examine all claims individually. It is not open to a court to sidestep the need to hear and consider necessary evidence in respect of each claim, whether independent or dependent.

F **[140]** In light of the analysis above, we are unable to accept the defendant's submission that the position adopted in *SKB Shutters* was similar to the approach adopted in other jurisdictions.

SKB SHUTTERS — AN ANALYSIS

G

[141] The case of *SKB Shutters* is the current authority in Malaysia for the treatment of independent and dependent claims when the validity of a patent claim is being challenged. The legal position in *SKB Shutters* appears to establish a blanket rule that governs all the different types of patent claims in H Malaysia, be it completely interdependent claims (type 1) or claims with additional features (type 2).

[142] It is the plaintiff's contention that prior to *SKB Shutters*, the position in Malaysia was thought to be well settled and consistent with the decisions from I the UK as exemplified by *Raychem.*

[143] Upon investigating patent cases in Malaysia, we find that courts in Malaysia have consistently followed the legal positions expounded in the case of *General Tire* (referred to in *Raychem*) when the validity of the claim is

challenged for lack of novelty and lack of inventive step. In such circumstances, the court must determine whether the patentee's claim has been anticipated by an earlier publication. It is necessary to compare the features of the claim of the patent with the features of the prior art (see *Fukuyama Automation Sdn Bhd v Xin Xin Engineering Sdn Bhd & Ors* [2015] 9 MLJ 823, *Winthrop Pharmaceuticals (Malaysia) v Astrazeneca UK Limited* [2015] MLJU 2014).

[144] Interestingly, the above principle was accepted by the courts in *SKB Shutters* despite this court coming to the decision that the validity of an independent claim determines the status of the claims that depend on it, without looking at all the claims separately. For ease of reference, the relevant statement given by this court in *SKB Shutters* is reproduced below:

> [34] We are of the view the law is clear that when it has to determine if an invention which is the subject of a patent claim lacks novelty or inventive steps, one looks at *the language of the claims* which define the scope and monopoly claimed (see the case of *Electric and Music Industries Ltd & Ors v Lissen Ltd & Anor* (1939) RPC 23). *The reference in The General Tire & Rubber Co v The Firestone Tyre & Rubber Co Ltd & Ors to a device is still in the context of a device as disclosed by the claims. It is ultimately the claims which must be looked at and considered.* (Emphasis added.)

[145] In other words, this court in *SKB Shutters* had referred to both the independent and dependent claims but did not emphasise the need for a trial court to undertake the exercise of hearing evidence on each of the claims separately. A reading of the case suggests that a determination of the validity of dependent claims may be arrived at by merely analysing the claims as pleaded without hearing expert evidence.

[146] We feel that it is pertinent to note that Laddie J made the following observation in *Raychem* with regards to *General Tire* that supports the argument that all the claims must be looked at when the invalidity of a claim is challenged:

> *Observed*: (1) *Maintaining independent validity for subsidiary claims had, in substance, a similar effect to the proprietor asserting that he had an equivalent number of separate inventions of patents. The party attacking validity had to direct his evidence proving invalidity of all of them. The greater the number of subsidiary claims, the greater the volume of evidence, including experiments, which would be put before the court.* (Emphasis added.)

[147] The legal position expounded in *SKB Shutters* namely that in the event an independent claim is invalidated, all the other claims fall, is, with great respect, not entirely accurate for the following reasons:

(a) even though the independent claim is invalidated, the established practice of law is for a trial court to examine the dependent claims

A separately despite the invalidation of the independent claim (unless there is an express concession to that effect);

(b) although in a type 1 claim, the invalidation of an independent claim due to prior art would result in the invalidation of the dependent claims, this position only reflects one of a myriad of possibilities that may arise in patent invalidation proceedings. Therefore, to apply that as a blanket rule would, with great respect, not be an accurate reflection of the law; and

(c) the consequence of applying such an interpretation as stated in *SKB Shutters* would be to shut out the possibility of an inventor having his valid patent rightfully registered and protected. This is because the potentially valid patent would have been struck out simply by reason of the independent claim having been held to be invalid.

[148] The putative effect of the blanket rule established by *SKB Shutters* is not negligible. Patent applicants, based on this case, may now have to reconsider the insertion of dependent claims as the effect of the invalidity of an independent claim would be fatal to their dependent claims. The only way to overcome this obstacle is to include more independent claims by incorporating the features of dependent claims as the Act and its Regulations do not restrict the number of independent claims in a patent. However, the challenge posed by having several independent claims is the risk of the patent application or a granted patent being attacked for lack of unity of invention as required under s 26 of the Act.

[149] The legal position established by the Federal Court in *SKB Shutters* is binding on all Malaysian courts vide the principle of stare decisis.

[150] The principle of stare decisis derives from the Latin phrase 'stare decisis et non quieta movere', which translates as 'to stand by decisions and not to disturb settled matters'. This doctrine has been long rooted in the annals of Malaysian jurisprudence.

[151] It is established in *Young v Bristol Aeroplane Co Ltd* [1944] 2 All ER 293 that the Court of Appeal may depart from its own previous decisions in the following situations:

(a) where the court is faced with two conflicting decisions of its own, it may choose which one to follow;

(b) the court is not bound to follow one of its own previous decisions which is inconsistent with a later House of Lords' decision; and

(c) the court is not bound to follow a decision of its own which was given *per incuriam*.

[152] In *Dalip Bhagwan Singh v Public Prosecutor* [1998] 1 MLJ 1, Peh Swee Chin FCJ held that the Federal Court is vested with the power to depart from its own previous decision, but such power must be used sparingly. However, it would be prudent to exercise such power when a former decision which is sought to be overruled is wrong, uncertain, unjust, outmoded or obsolete in the modern conditions.

[153] The decision of *SKB Shutters*, with respect was premised upon an incomplete consideration of the law relating to the invalidation of claims. We are of the considered view that this court should depart from the ruling of the said case.

THE RATIONALE IN *SKB SHUTTERS*

[154] In coming to the conclusion that when an independent claim is invalidated, the dependent claims would automatically fall, this court in *SKB Shutters* purported to rely on the *Du Pont* case.

EI Du Pont de Nemours & Co v Imperial Chemical Industries PLC [2007] FCAFC 163 ('Du Pont')

[155] ICI had lodged two patent applications ('parent application') in respect of a refrigerant that did not contribute to ozone depletion. This application was opposed by Du Pont based on, inter alia, a lack of novelty. At first instance before the Commissioner of Patent, Du Pont succeeded. ICI appealed to a single judge of the Federal Court of Australia.

[156] On appeal (see *EI Dupont de Nemours & Co v Imperial Chemical Industries PLC* [2002] FCA 230), the single judge reversed the decision of the commissioner of patent and upheld Du Pont's opposition against the two applications. In determining this appeal, the judge found that the independent claim was invalid and went on to hold that the three other dependent claims also fell. ICI appealed but the full court (comprising three judges of the Federal Court) refused leave.

[157] Following this, ICI filed a 'new' divisional application seeking the grant of a patent for the same subject matter. This was identical to one of the initial applications. This was refused by the commissioner of patent as a result of the earlier decision of the single judge of the Federal Court, where it was held that the independent and the dependent claims were all invalid.

[158] ICI then applied for an amendment to the patent application deleting the previous independent claim and relying only on a dependent claim which

earlier fell (by reason of the independent claim having been invalidated). This proposed amendment was also refused by the commissioner.

[159] ICI then appealed to a single judge of the Federal Court who found that the amendment ought to be allowed. The reasoning of this judge in allowing the amendment was that the amended dependent claim was now an independent claim with a new identity and could therefore be assessed anew. The matter was then remitted to the commissioner of patent for amendment, which was duly done.

[160] Du Pont then filed an appeal to the full court opposing the amendment on various grounds. However, the main issue before the full court was whether *issue estoppel operated to preclude ICI from seeking to re-litigate the validity of its dependent claim in its patent, given that ICI's parent application had been dismissed*. The full court held that there was no issue of estoppel because the original dependent claim 4 had been amended to become the new independent claim 1, which contained an additional feature which was novel.

[161] It is apparent from a perusal of the judgments relating to this series of litigation, that the primary issue for consideration by the full court was that of issue estoppel. The focus of the judgment related to whether ICI was precluded from filing an amendment application for what was, in essence, the same dependent claim that had earlier been dismissed due to the invalidity of the independent claim on which it was based. *It does not appear from the judgment of the full court of Australia that it was focused on laying down any form of rule for the treatment of dependent claims to the effect that they fell automatically as a consequence of the independent claim being held to be invalid for lack of novelty*.

[162] Nonetheless it was relied upon by this court in *SKB Shutters* as authority for the proposition that when an independent claim is invalid all the dependent claims similarly fall, without the court having to undertake any independent evidential assessment as to whether the dependent claims are individually valid. With great respect, we are of the view that the reliance on *Du Pont* for such a blanket ruling is not an accurate statement of the law.

[163] Apart from the fact that it does not appear to be authority for such a proposition, it is clear from other Australian authorities such as *Austal* that all claims albeit independent or dependent, have to be considered individually and/or separately.

[164] This is also consonant with the positions adopted in other jurisdictions, as borne out by the cases of *Honeywell* (US) and *Raychem, Generics*, and *Conor Medsystems* (UK).

[165] Again with great respect, none of these authorities was considered or compared with *Du Pont* when the ruling in *SKB Shutters* was crafted.

[166] In any event, the courts in *Du Pont* did not expressly state that dependent claims are not to be looked at when the validity of a patent claim is being challenged. In fact, it is necessary to look at all the claims separately, albeit briefly, as the court might in the process, find additional features in such dependent claims which would confer validity on these dependent claim. In *Du Pont*, the court in the parent application could very well have found the additional/variant feature in the dependent claim had it investigated the dependent claims. This was expressly noted by the full court in its judgment.

[167] In *SKB Shutters*, the finding of fact of the Court of Appeal (which decision was later affirmed by the Federal Court) was made through assessments restricted solely to the independent claims and a theoretical perusal of the dependent claims. This is evident from the Court of Appeal's statement '... that the court need only to consider claim 1 which describes the basic invention, and claims 9 and 11. The other claims are, what learned counsel describes as, 'dependent claims" (see *Seng Kong Shutter Industries Sdn Bhd & Anor v SKB Shutters Manufacturing Sdn Bhd* [2014] 5 MLJ 98 at [21]). This approach is not adopted in other major patent jurisdictions such as the US, UK, Australia and Malaysia prior to *SKB Shutters*.

[168] Further, although it is clear from the judgments of the appellate courts in *SKB Shutters* that only the independent claim was taken into consideration in determining the validity of the patent, this, in our view, does not justify the general application of this approach to all types of patent claims and challenges to such claims, which could encompass challenges based on insufficiency, ambiguity and lack of industrial applicability (as we have set out earlier.)

[169] For all these reasons, we are constrained to depart from the decision in *SKB Shutters*. We reiterate that it is essential that when a court is tasked with ascertaining the validity of a patent comprising both independent and dependent claims, the trial court is bound to evidentially assess each of these claims separately.

FURTHER CONSEQUENCES OF SKB SHUTTERS

[170] This court in *SKB Shutters* further held that a dependent claim must be re-drafted as it cannot remain dependent on an invalid independent claim. It went on to say that there is no provision in the Act that provides for the right of amendment of claims pending litigation in respect of validity, as opposed to the position in the United Kingdom.

[171] The rationale of this court in *SKB Shutters* was that once an independent claim is found to be invalid, the dependent claim no longer has anything to latch on to and would therefore fail, unless the dependent claim is redrafted as an independent claim. We now consider whether such rationale is justified.

AMENDMENTS

[172] The position in *SKB Shutters* which links the demise of a dependent claim to that of an independent claim, is not entirely tenable. With respect, the court in that case linked the prohibition of amendment of claims pending proceedings under s 79A(3), to the failure of a dependent claim as soon as the independent claim was invalidated. However, a perusal of s 79A(3) discloses that while the registrar is prohibited from effecting amendments *during* proceedings, it does not bar amendments to be applied for during proceedings, and made *after* proceedings. Therefore amendments *per se* are not barred by s 79A(3).

[173] A claim may be *partially* invalidated by virtue of s 56(3) of the Act, where it was stated that:

> Where the provisions of subsection (1) apply on only some of the claims or some parts of a claim, such claims or *parts of a claim* may be declared invalid by the Court and the *invalidity of part of a claim* shall be *declared in the form of a corresponding limitation of the claim in question*. (Emphasis added.)

[174] By virtue of s 56(3), the Act envisages the grant of a declaration by the court to preserve the validity of some claims or parts of a claim, which would in turn necessarily require these claims or parts of claims to be reworded to reflect partial validity. To give effect to partially invalid claims, the these claims must be amended. Section 56(3) requires that the invalid parts 'be declared as a corresponding limitation of the claim in question'. This implicitly empowers the court to order amendments of the surviving claim(s).

[175] Therefore this court in concluding in *SKB Shutters* that amendments per se were prohibited by the Act was less than accurate.

[176] The fact that s 56(3) allows for partial validity supports the argument that a dependent claim may survive, even when an independent claim collapses. This allowance of partial invalidity is also reflected in s 63 of the UK Patents Act.

[177] A further argument supporting this conclusion is found in s 57(2). On the surface, a cursory reading of s 79A(3) appears to prohibit amendment of partially invalidated claims pending proceedings. However, pursuant to s

57(2), the invalidation of a patent only becomes effective after the registrar has recorded the declaration in the register. The court may give liberty to the patentee to apply to amend their claims to reflect their partial validity, but *the said amendments would not take effect until the Registrar has effected these amendments after the final order of court or in the event of an appeal, until the appeal is disposed of*.

[178] Section 79A(3) therefore only prohibits the registrar, during invalidation proceedings, from *recording or registering the amendments but does not expressly prevent patentees from applying to amend their claims*. It follows that amendments per se are not prohibited by s 79A(3).

[179] Hence, by construing ss 56(3), 57(2), and 79A(3) together, in the event of partial invalidity, an application to amend a dependent claim may be permitted after court proceedings. This ensures that the invalidity of the independent claim would not affect all other dependent claims. The point we seek to make here is that the conclusion drawn in *SKB Shutters*, namely that amendments under the Act are prohibited is not entirely accurate, and this comprises a further reason we are constrained to depart from *SKB Shutters*.

CONCLUSION

[180] For all the reasons that we have given above, our answer to the leave question is in the negative. When an independent claim is deemed to be invalid, it does not necessarily follow that all dependent claims which make reference to the said independent claim will automatically fail.

[181] The validity of these dependent claims will ultimately depend on the form of claim used, whether type 1 or type 2, and the basis of challenge to their validity. A trial court can only ascertain the type of claim before it through undertaking the evidential process of examining each claim separately. If it fails to do so, the trial court may well overlook any additional features embedded within a dependent claim that could render such claim independently valid. The serious consequence of failing to undertake this examination is that a patentable invention would not be protected.

[182] If the claims are of type 1 form and the basis of challenge relates to prior art (lack of inventive step/obviousness or lack of novelty/anticipation), then, when the independent claim is invalidated, the claims dependent on the said independent claim may also be declared to be invalid, *but only after the trial court undertakes the evidential process described above (unless there is an express concession).*

[183] Where the claims are of type 2 form and the basis of opposition relates to prior art, the dependent claims, when the independent claim is invalidated, have to be addressed separately to determine their validity. This is because they may have additional features that have not been disclosed by prior art or prior publications.

[184] And if the basis of challenge does not relate to prior art, then the language and structure of all claims will have to be addressed separately to determine their scope, interdependency, and validity on a case by case basis. *This also requires the court to undertake the evidential process*.

[185] We are of the opinion that the principle established in *SKB Shutters* that *when an independent claim is invalid, all dependent claims dependent on the said independent claim also fall with it*, fails to take into account the myriad of other claims and bases of challenge that routinely arise in patent adjudication.

[186] Accordingly, we allow this appeal and remit the case to the High Court to determine whether each of the dependent claims (ie claims 2–22) possesses independent validity (notwithstanding the fact that this case may entail type 1 claims or unless there is an express concession).

Appeal allowed and case remitted to High Court.

Reported by Nabilah Syahida Abdullah Salleh